



## Federal Update for June 1 - 5, 2015



### ***China Territorial Claims Update ► SECDEF / Will Lead to Isolation***

US Defense Secretary Ash Carter warned China 27 MAY that attempts to expand its influence in the South China Sea will ultimately lead to isolation for the Pacific power. Speaking in Honolulu at the change of command for US Pacific Command, Carter reaffirmed that the US does not respect Chinese attempts to broaden their sovereign territory through the development of man-made islands in the region. China has claimed those lands as part of its territory, a move other nations in the region believe is a power grab to increase its control of the region. "We want a peaceful resolution of all disputes, and an immediate and lasting halt to land reclamation by any claimant," Carter said in his prepared remarks. "We also oppose any further militarization of disputed features. "And there should be no mistake: The United States will fly, sail and operate wherever international law allows, as we do all around the world."

The latter was perhaps the most forceful comments Carter has made about China's claims of sovereignty in the region through the first three months of his tenure as secretary. "China is out of step with both international norms that underscore the Asia-Pacific's security architecture, and the regional consensus in favor of non-coercive approaches to this and other long-standing disputes," Carter said, later adding that the US "will remain the principal security power in the Asia-Pacific for decades to come." Carter's trip continues with visits to the Shangri-La dialogue in Singapore and stops in India and Vietnam. In all three spots, the secretary plans to focus on developing allied capability in the region. "China's actions are bringing countries in the region together in new ways," he said. "And they're increasing demand for American engagement in the Asia-Pacific. We're going to meet it."

A senior defense official told reporters before the speech that the overall trip will focus heavily on developing "that kind of open, inclusive, regional security architecture that we have been building and on which we will continue to build." The Pentagon has certainly viewed partner capacity building as key in the Pacific. Last month, the US and Japan launched an updated framework for its military relationship, while in recent months the Department of State changed its rules for equipment sales to Vietnam to allow the transfer of maritime patrol gear to that nation. [Source: Defense News | Aaron Mehta | May 27, 2015 ++]

## **Commissary Privatization ► Pilot Program**

Lawmakers have taken a first step toward privatizing commissaries, approving legislation that would require a pilot program to test the concept of private companies operating at least five commissaries at large installations. The Senate Armed Services Committee approved the plan 14 MAY as part of its version of the 2016 defense authorization bill. According to the committee, the legislation also requires a report on a plan to privatize the Defense Commissary Agency, entirely or in part, and directs the Government Accountability Office to assess potential costs and benefits of having private companies run the stores.

Sen. Jim Inhofe (R-OK) said he fought hard against the provision in committee and plans to introduce an amendment on the Senate floor to reverse it when the defense bill comes up for consideration by the full chamber. "With all the good in the bill, one of my greatest disappointments was legislation that directs the Department of Defense to privatize military commissaries on a minimum of five major bases and sets into motion the potential for all commissaries to be privatized," Inhofe said in a statement. "It ignores recommendations made by the Military Compensation and Retirement Modernization Commission in January," he said. That commission recommended consolidating some back-office operational functions of commissaries and exchanges, and allowing commissaries to mark up prices on items to help cover some operational costs. Information was not immediately available about whether the Senate committee has agreed to allow commissaries to mark up prices, as requested by DoD, or has agreed to the Pentagon's request to reduce funding for commissaries.

The privatization pilot program would run for two years, and would require a report to the House and Senate Armed Services committees within 180 days after it ended. A committee aide said the test, if included in the final version of the defense bill, could begin as early as July 2016. "This isn't about hurting commissaries or getting rid of the benefit; it's about finding a more efficient and cost-effective way of delivering the benefit," the aide said. As part of the initiative, lawmakers also have asked DoD to evaluate basic pay and subsistence allowances in relation to privatization of the stores, to ensure that service members would not see a decrease in purchasing power, the aide said. DoD officials would determine whether any changes in pay and allowances might be needed to make up for any decrease in savings as a result of privatization. No similar provision is included in the House version of the annual defense policy bill, which means the commissary privatization provision will have to be discussed later this year when House and Senate lawmakers will meet in a conference committee to reconcile differences in their respective draft bills.

The Veterans of Foreign Wars firmly opposes privatizing military commissaries and the pilot program, said John W. Stroud, the group's national commander. "We want this language stripped from the Senate's version of the defense bill," said Stroud, a retired Air Force first sergeant. "Military commissaries are a key quality-of-life benefit to military service members, their families and to retirees," he said. "You can sometimes find better deals off base, but nowhere near the overall 30 percent savings that commissaries provide." He also said any

reduction in customer traffic at the commissary would cause a corresponding reduction in customer traffic at exchange service stores, which would directly affect the exchanges' contributions to a variety of military morale, welfare and recreation programs. [Source: Military Times | Karen Jowers | May 15, 2015 ++]

## **BRAC Update ► First Step in House NDAA Bill**

Pentagon officials won't get congressional permission for a new base closure round next year. But they might be inching closer. Both the House and Senate versions of the 2016 defense authorization bill again prohibit a new base closure round, despite defense leaders' repeated pleas for the infrastructure reduction tool. Lawmakers have called the process too costly financially and in terms of public support, especially given the divisive nature of the 2005 base closing round. However, the House did include language in its draft bill calling for a military wide review of "force-structure plans and infrastructure inventory" that outsiders hope could be the precursor to another base closure round, by providing better justification for the need to shutter some military facilities. "To lose the prohibition on planning or investigating a new BRAC ... that's the first step," Ryan Crotty, deputy director for defense budget analysis at the Center for Strategic and International Studies, said during a think-tank event on Capitol Hill last week.

Supporters of a new base closure round have long argued that the military's infrastructure footprint needs to shrink as the fighting force draws down in the wake of the wars in Iraq and Afghanistan. Defense Department officials frequently estimate that they have up to 20 percent excess capacity at stateside bases and argue that a new base closing round could produce billions in annual savings. But lawmakers in recent months have publicly criticized that estimate, noting that it relies on studies done before the 2005 base closure round. They worry that another ambitious closure round could leave the military without critical resources — and, in some cases, their own districts with fewer jobs. "What we've had for the last several years are people pulling estimates out of the air," said House Armed Services Chairman Mac Thornberry, R-Texas. "We need to get a better feel for what the real number, the real situation is with our infrastructure."

The new study calls for a review of possible excess infrastructure (including "the Secretary's objective for the reduction of such excess capacity") and an analysis of "certain excess infrastructure to accommodate contingency, mobilization, or surge requirements." Budget experts at the think-tank event last week were nearly unanimous on the need to trim the number of U.S. military bases, but also acknowledged the political problems that come with such plans. Janine Davidson, senior defense fellow at the Council on Foreign Relations, called the House plan a modest but important move by lawmakers. "We absolutely have to move forward on our infrastructure issues," she said. "So it is a great step forward that we get to study this now."

That step ahead still leaves a sizable distance before the military would start closing down bases. A conference committee could still strip the provision calling for the report out of the final defense authorization bill. Even if it survives, the measure still won't become law until later this year. The House plan does not specify a timeline for when the report must be finalized, but does call for defense officials to analyze basing needs for the next two decades starting in fiscal 2017. [Source: MilitaryTimes | Leo Shane | May 18, 2015++]

## ***NDAA for 2016 Update ► House Approves \$612B Bill***

House lawmakers on 15 MAY approved a \$612 billion defense authorization bill for next year despite objections from Democratic leaders and a White House veto threat over plans to skirt spending caps with oversized temporary war funds. The measure includes an overhaul of the military's retirement system and rejects a host of pay and benefits trims proposed by the Pentagon. It supports, in principle, a 2.3 percent pay raise for troops, but lacks the legislative language to force that paycheck boost, leaving flexibility for President Obama to go with the lower 1.3 percent raise backed by Pentagon leaders. The bill also includes a host of new policy changes on sexual assault protections and prosecution, reforms to the defense acquisition process, and restrictions on transfer of detainees out of Naval Station Guantanamo Bay, Cuba.

The final 269-151 vote came after two days of pleas from Republican leaders to advance the bill. The measure had passed out of the House Armed Services Committee last month on a 60-2 vote and often enjoys bipartisan support even amid the bitter party fights that have become increasingly common on Capitol Hill. But Rep. Adam Smith (D-WA), the armed services committee's ranking Democrat, led efforts to oppose the measure this time over the war funding boost, calling it a gimmick by GOP leaders. The White House has also threatened to veto the measure over the funding breakdown. Administration officials had pushed for the same total level of spending but with congressional action to repeal the spending caps approved in 2011, which would allow increased spending for other agencies as well. Instead, the GOP plan shifted almost \$40 billion into the Pentagon's temporary "overseas contingency operations" war fund and left the overall spending caps in place. "There are a lot of good things in this bill," Smith said Friday. "But we have one overarching problem, the same that we've had since 2011. ... This bill's reliance on the overseas contingency (account) is a problem for the Department of Defense. This doesn't lift the budget caps, and that is harmful." Committee chairman Rep. Mac Thornberry (R-TX) repeatedly dismissed those concerns and criticized Democrats for using the policy bill as a target for political attacks. "This is one step in the process," Thornberry said. "If there is a better way to deal with these issues in the appropriations bills, there is time to do that." In the end, 143 Democrats voted against the measure, while 41 voted for it.

On 14 MAY, the House also stripped from the bill another controversial provision that would have encouraged military officials to study ways to enlist undocumented immigrants in exchange for a pathway to legal status. The 221-202 vote on that provision — with all House Democrats voting against it — helped shore up GOP support for the measure and temporarily

injected the ongoing immigration fight into the defense bill. And just before final passage, Republicans rejected a bid by Democrats to lock in the 2.3 percent pay raise for the troops and also guarantee continued pay for the military in the event of a government shutdown. Republicans said those changes were more about political gamesmanship than strengthening the legislation. The military retirement overhaul would replace the current 20-year, all-or-nothing deal with a "blended" compensation system featuring a 401(k)-style investment plan that promises all future troops will leave the service with some money for retirement. Senate officials have proposed a similar plan, but critics have argued the changes could hurt recruiting and retention.

The differences in those plans — and in the rest of the bills — must be reconciled by a conference committee later this summer, after the Senate's draft of the defense authorization bill is finalized. No voting schedule has been announced in that chamber. The Senate Armed Services Committee's version of the bill, unveiled Thursday, includes the 1.3 percent pay raise, trims to housing allowances and changes to the Tricare health benefit. Pentagon officials have argued those kinds of personnel savings are needed to keep military training and modernization accounts solvent, but outside advocates have blasted service officials for targeting troops' wallets to pay for post-war budget reductions. The authorization bill deliberations are not expected to be resolved until later summer at the earliest. Both chambers also still need to advance their respective defense appropriations plans before the military's fiscal 2016 finances will be settled. [Source: MilitaryTimes | Leo Shane | May 15, 2015 ++]

## ***POW/MIA Recoveries*** ►

"Keeping the Promise", "Fulfill their Trust" and "No one left behind" are several of many mottos that refer to the efforts of the Department of Defense to recover those who became missing while serving our nation. The number of Americans who remain missing from conflicts in this century are: World War II (73,515) Korean War (7,852), Cold War (126), Vietnam War (1,627), 1991 Gulf War (5), and Libya (1). Over 600 Defense Department men and women -- both military and civilian -- work in organizations around the world as part of DoD's personnel recovery and personnel accounting communities. They are all dedicated to the single mission of finding and bringing our missing personnel home. For a listing of all personnel accounted for since 2007 refer to <http://www.dpaa.mil/> and click on 'Our Missing'. If you wish to provide information about an American missing in action from any conflict or have an inquiry about MIAs, contact:

- Mail: Public Affairs Office, 2300 Defense Pentagon, Washington, D.C. 20301-2300, Attn: External Affairs
- Call: Phone: (703) 699-1420
- Message: Fill out form on <http://www.dpaa.mil/Contact/ContactUs.aspx>

### **Vietnam**

None

## **Korea**

The Department of Defense POW/MIA Accounting Agency (DPAA) announced 21 MAY the remains of a U.S. serviceman, missing from the Korean War, have been identified and will be returned to his family for burial with full military honors. Marine 1st Lt. Raymond O. Ball, 31, of Fort Laramie, Wyo., was buried May 19, in Arlington National Cemetery near Washington D.C. In November 1950, Ball was assigned to Company E, 2nd Battalion, 7th Marine Regiment, 1st Marine Division, when his unit was engaged by a much larger enemy force on the western bank of the Chosin Reservoir, North Korea. From Dec. 1-2, the Marine Division disengaged from the enemy and began a fighting withdrawal to a more defensible position south, but not before sustaining heavy losses. On Nov. 27, 1950, Ball was killed in action in the vicinity of Hill 1282, while fighting on the western side of the Chosin Reservoir; however, his remains were not recovered after the battle. In 1954, United Nations and Communist Forces exchanged the remains of war dead in what came to be called "Operation Glory." All remains recovered in Operation Glory were turned over to the Army Central Identification Unit for analysis. The remains they were unable to identify were interred as unknowns at the National Memorial Cemetery of the Pacific in Hawaii, known as the "Punchbowl." In 2012, analysts from the Department of Defense reevaluated Ball's records and determined that portions of the remains recovered from Operation Glory should be exhumed for identification. To identify Ball's remains, scientists from DPAA used circumstantial evidence and forensic identification tools, such as radiograph comparison, which matched Ball's records.

The Department of Defense POW/MIA Accounting Agency (DPAA) announced 18 MAY that the remains of a U.S. soldier, missing from the Korean War, have been identified and will be returned to his family for burial with full military honors. Army Cpl. Richard L. Wing, 19, of Toledo, Ohio, will be buried June 5, in Arlington National Cemetery, near Washington D.C. In late November 1950, Wing was assigned to Company H, 5th Cavalry Regiment, 1st Cavalry Division, which was deployed north and southeast of the town of Kunu-ri, North Korea, when their defensive line was attacked by Chinese forces, forcing the unit to withdraw south to a more defensible position, near the town of Sunchon. Before they could disengage, the 1st Cavalry Division was forced to fight through a series of Chinese roadblocks, commonly known as the Gauntlet. Wing was reported missing in action after the battle. In 1953, returning American soldiers who had been held as prisoners of war reported that Wing had been captured by Chinese forces in November 1950 near Kunu-ri, and died of dysentery in a prisoner of war camp known as Camp 5 in Pyokdong, North Korea.

Between 1991 and 1994, North Korea turned over to the U.S. 208 boxes of human remains believed to contain more than 400 U.S. servicemen who fought during the war. North Korean documents, turned over at that time, indicated that some of the remains were recovered from the vicinity where Wing was believed to have died. To identify Wing's remains, scientists from DPAA and the Armed Forces DNA Identification Laboratory (AFDIL) used circumstantial evidence and forensic identification tools, to include two forms of DNA analysis; mitochondrial DNA, which matched his sister and brother and Y-STR DNA, which matched his brother.

The Department of Defense POW/MIA Accounting Agency (DPAA) announced 18 MAY that the remains of a serviceman, missing from the Korean War, have been identified and will be returned to his family for burial with full military honors. Army Pfc. Elmer P. Richard, 20, of Exeter, N.H., will be buried June 3, in his hometown. In late November 1950, Richard was a member of Battery D, 15th Antiaircraft Artillery Automatic Weapons Battalion, 31st Regimental Combat Team (RCT), operating along the eastern side of the Chosin Reservoir, in North Korea. On Nov. 29, 1950, elements of the 31st RCT, historically known as Task Force Faith, were overwhelmed by Chinese People's Volunteer forces which forced the 31st RCT to withdraw south to more defensible positions. On Dec. 2, 1950, Richard was reported missing in action. In late 1953, during a prisoner of war exchange, known as Operation Big Switch, a returned U.S. service member told U.S. debriefers that Richard was captured by Chinese forces and to have died in mid-December 1950, from battle wounds and dysentery. His remains were not among those returned by communist forces during Operation Glory in 1954.

Between 1990 and 1994, North Korea turned over to the U.S. 208 boxes of human remains believed to contain more than 400 U.S. servicemen who fought during the war. North Korean documents, turned over at that time, indicated that some of the remains were recovered from the area where Richard was believed to have died. On Oct. 5, 2000, a joint U.S./Democratic People's Republic Korea (D.P.R.K.) team excavated a secondary burial site where U.S. servicemen were believed to have been buried after the Korean War. The team recovered commingled human remains. To identify Richard's remains, scientists from the DPAA and the Armed Forces DNA Identification Laboratory (AFDIL) used circumstantial evidence and two forms of DNA analysis including; mitochondrial DNA and Y-chromosome Short Tandem Repeat DNA (Y-STR) analysis, which matched his brothers.

The Department of Defense POW/MIA Accounting Agency (DPAA) announced 18 MAY that the remains of a U.S. soldier, missing from the Korean War, have been identified and will be returned to his family for burial with full military honors. Army Pfc. Paul L. Tingle, 36, of Montpelier, Ohio, will be buried June 8, in his hometown. In late 1950, Tingle was assigned to Company I, 3rd Battalion, 9th Infantry Regiment, 2<sup>nd</sup> Infantry Division (ID), which was deployed north and east of the town of Kujang, North Korea, when their defensive line was attacked by Chinese forces, forcing the unit to withdraw south to a more defensible position. Before they could disengage, the 2nd ID was forced to fight through a series of Chinese roadblocks, commonly known as the Gauntlet. Tingle was reported missing in action during the battle. In 1953, returning American soldiers who had been held as prisoners of war reported that Tingle had been captured by Chinese forces and died in a prisoner of war camp known as Camp 5 in Pyokdong, North Korea.

Between 1991 and 1994, North Korea turned over to the U.S. 208 boxes of human remains believed to contain more than 400 U.S. servicemen who fought during the war. North Korean documents, turned over with some of the boxes, indicated that some of the remains were recovered from the vicinity where Tingle was believed to have died. In July 2001, a joint U.S./D.P.R.K. team excavated a secondary burial site in a field near Kujang, where they

recovered human remains. Those remains, and some of the remains turned over between 1991 and 1994, were identified as Tingle. To identify Tingle's remains, scientists from DPAA and the Armed Forces DNA Identification Laboratory (AFDIL) used circumstantial evidence and forensic identification tools, to include mitochondrial and autosomal DNA, which matched his sister and nephew.

The Department of Defense POW/MIA Accounting Agency (DPAA) announced 17 MAY that the remains of a U.S. serviceman, missing from the Korean War, have been identified and will be returned to his family for burial with full military honors. Army Cpl. Lindsey C. Lockett, 24, of Richmond, Va., will be buried April 25, in his hometown. In late 1950, Lockett and elements of Medical Detachment, 503rd Artillery Battalion, 2nd Infantry Division, were occupying a position in the vicinity of Somin-dong, North Korea, when their unit was overwhelmed by Chinese forces. Lockett was reported missing Dec. 1, 1950. In 1954, United Nations and Communist Forces exchanged the remains of war dead in what came to be called "Operation Glory." All remains recovered in Operation Glory were turned over to the Army Central Identification Unit in Kokura, Japan for analysis. The unidentified remains were interred as unknowns at the National Memorial Cemetery of the Pacific in Hawaii, known as the "Punchbowl."

In 2014, with advances in technology, the Central Identification Laboratory in Hawaii re-examined the records and concluded that the possibility of identification now existed. In the identification of Lockett's remains, scientists from DPAA and the Armed Forces DNA Laboratory (AFDIL) used circumstantial evidence and chest radiography which matched his records.

The Department of Defense POW/MIA Accounting Agency (DPAA) announced 22 MAY that the remains of a U.S. soldier, unaccounted for from the Korean War, have been identified and will be returned to his family for burial with full military honors. Army Pfc. Charlie Wilcher Jr., 21, of Sanderville, Ga., will be buried June 1, in Jacksonville, Fla. In late November 1950, Wilcher was assigned to Company A, 9th Infantry Regiment, 2nd Infantry Division (ID), which was deployed near the town of Kujang, North Korea, when their defensive line was attacked by Chinese forces. This attack forced the unit to withdraw south to a more defensible position. Before they could disengage, the 2nd ID suffered extensive casualties, with numerous men being taken captive. Wilcher was reported missing in action Nov. 30, 1950.

Between 1990 and 1994, North Korea turned over to the U.S. 208 boxes of human remains believed to contain more than 400 U.S. servicemen who fought during the war. North Korean documents, turned over with some of the boxes, indicated that some of the remains were recovered from the vicinity where Wilcher was believed to have died. From July 3 to July 5, 2001, a joint U.S./Democratic Republic of North Korea (D.P.R.K.) team excavated a purported burial site near Kujang, recovering human remains. Those remains, and some of the remains turned over between 1990 and 1994, were identified as Wilcher. To identify Wilcher's remains, scientists from DPAA and the Armed Forces DNA Identification Laboratory (AFDIL) used circumstantial evidence and forensic identification tools, including mitochondrial DNA analysis, which matched samples provided by his sister.



## **World War II**

The Department of Defense POW/MIA Accounting Agency (DPAA) announced 18 MAY that two U.S. servicemen, missing from World War II, have been identified and are being returned to his family for burial with full military honors. U.S. Army Air Forces 2nd Lt. Alvin Beethe, 23, of Elk Creek, Neb., will be buried June 8, in Arlington National Cemetery, near Washington D.C. On Nov. 26, 1944, Beethe, of the 393<sup>rd</sup> Fighter Squadron, 367th Fighter Group, 9th Air Force, was the pilot of a P-38 Lightning that failed to return from a bombing mission against enemy forces near Duren, Germany. Another U.S. aircraft in the mission reported that Beethe's aircraft crashed near the town of Morschenich. Beethe was reported killed in action and his remains were not recovered. Following the war, the American Graves Registration Command (AGRC) conducted investigations on the loss of Beethe and successfully located his crash site. However, no remains were recovered at that time.

In 2008, the Department of Defense (DoD) was notified that private citizens in Germany had located the wartime crash site. A DoD team traveled to Morschenich and surveyed the purported site. In June 2013, another DoD team excavated the site, and recovered human remains and aircraft wreckage. To identify Beethe's remains, scientists from DPAA and the Armed Forces DNA Identification Laboratory (AFDIL) used forensic identification tools to include two forms of DNA analysis, mitochondrial DNA, which matched his cousin and Y-chromosome Short Tandem Repeat DNA, which matched his nephew.

The Department of Defense POW/MIA Accounting Agency (DPAA) announced 21 MAY that the remains of a U.S. serviceman, missing since World War II, have been identified and are being returned to his family for burial with full military honors. U.S. Army Air Forces 2nd Lt. Harry B. McGuire, 24, of Chester, Ill., will be buried June 3, in Saint Louis. On Jan. 30, 1944, McGuire and elements of the 718th Squadron, 449<sup>th</sup> Bomber Group, 15th Air Force, were flying out of Grottaglie, Italy on a bombing mission. McGuire was the navigator of a ten-man B-24H Liberator that was shot down by enemy forces while returning from the mission against enemy forces near Udine, Italy. According to the flight path, the plane initially was believed to have crashed in the Gulf of Trieste, south of the island of Grado. The remains of two crew members were recovered after the crash and one serviceman parachuted from the aircraft and was captured by enemy forces. The remaining seven crew members including McGuire, were declared dead and non-recoverable.

On Feb. 22, 2010, Department of Defense (DoD) analysts traveled to the Isle of Mergo and interviewed several local Italian nationals who claimed to have information relating to the crash site. The nationals recalled that the plane crashed on Jan. 30, 1944, as it impacted and buried itself in a pond on the island. On May 7, 2014, while assessing logistical requirements for a future recovery, a Department of Defense (DoD) team found material evidence and human remains near the pond. To identify McGuire's remains, scientists from DPAA and the Armed Forces DNA Identification Laboratory (AFDIL) used forensic identification tools to include mitochondrial DNA, which matched his nephew. [Source: <http://www.dpaa.mil> | May 31, 2015 ++]

## **VA Budget 2016 Update ► Senate Committee Action**

Senate appropriators approved plans for nearly a 3 percent increase in the Veterans Affairs Department's budget next year, slightly above what House lawmakers approved earlier this month and slightly below what White House officials had asked for. The move all but guarantees the department will see yet another money boost next year, despite tightening budget and spending caps on most other federal agencies. Since the start of the wars in Iraq and Afghanistan, VA's budget has risen by almost \$100 billion, nearly triple the department's total spending in the late 1990s. But the Senate plan also sets up a potentially contentious summer conference fight over next year's VA budget.

Hill conservatives want to curb some of that growth and have pushed for reductions in VA construction funding until high-profile problems with the program are resolved. VA officials insist the White House's full budget request is critical to keep outreach and reform efforts on track. The Senate Appropriations Committee approved a total VA budget of \$163.7 billion for fiscal 2016 operations, about \$500 million above the House plan and \$850 million below the Obama administration's request. The differences in the plans all come in discretionary spending, which totals \$69.2 billion in the Senate version. The House plan would trim hundreds of millions in requested spending from major and minor construction accounts, while the Senate's would trim about \$100 million in requests for nonrecurring maintenance at medical facilities.

Both plans call for \$255 million less than the White House wants for Veterans Health Administration budget accounts, cuts that VA leaders have decried as potentially taking away medical care from tens of thousands of veterans. But Republican planners say those accounts are fully funded without the extra boost, and have accused VA officials of not doing enough to be responsible fiscal stewards in many areas, particularly construction and administrative spending. Democrats in both chambers objected to those trims and broader Republican plans to keep mandatory spending caps on a host of federal agencies in fiscal 2016, which they argued has limited spending even on the uncapped VA accounts. The Senate committee bill must still pass the full Senate before conference committee work can begin on a final deal. [Source: MilitaryTimes | Leo Shane | May 21, 2015 ++]

## **VA OIG Update ► More on Unreleased Reports**

More than 120 previously unpublished investigations by the Veterans Affairs Department's inspector general, dating as far back as 2006, reveal problems at VA medical centers nationwide ranging from medical malpractice and patient safety concerns to mismanagement, infighting and corruption. VA Assistant Inspector General John Daigh posted the reports on the VA inspector general's website in April after receiving criticism that his office failed to disclose results of an investigation into the Tomah Wisconsin VA Medical Center charging that a psychiatrist prescribed dangerous amounts of painkillers and other medications to patients, resulting in at least one death. Daigh told lawmakers he did not "hide" the results of the Tomah investigation and explained that he routinely closes investigations for a variety of reasons —

either the facility under investigation has taken steps to correct the issue, a lawsuit has been filed over an incident, or, in the case of Tomah, allegations were not substantiated.

But lawmakers say procedures that allow VA facilities to fix themselves after being investigated by the department's inspector general make no sense. Pointing to scandals that have plagued VA in the past year, ranging from off-the-books appointment wait lists to construction overruns totaling more than \$1 billion to whistleblower intimidation and more, House and Senate lawmakers continue to question VA's commitment to transparency. Sen. Ron Johnson (R-WI) subpoenaed the department last month for all documents related to the Tomah investigation. The same day, the House Veterans' Affairs Committee issued a subpoena for documents related to personnel at the Philadelphia VA. "It is past time for the VA inspector general to be transparent and accountable and to show its work on its Tomah health care inspection," Johnson said. "I will continue to fight to get answers."

Of the reports released in April, 59 contained substantiated claims and made recommendations for VA facilities to address. Another 50 either did not validate allegations or resulted in litigation, prompting the inspector to close those cases. The reports explore the petty — an anonymous complaint that a nurse put hot sauce on a patient's doughnut in Murfreesboro, Tennessee, which went unsubstantiated — to the tragic, including a veteran in San Diego who was prescribed an antacid at a VA emergency room and sent home but died of a heart attack the next day at a civilian hospital. As with the Tomah report, several cases involve doctors overprescribing psychiatric medications or painkillers — an ongoing problem at VA that administrators say they are working to address.

At the Malcolm Randall VA Medical Center in Valdosta, Georgia, a doctor was accused of overprescribing psychotropic drugs to his female patients to the point that several lost their jobs. The inspector general did not find any instances of veterans having lost employment, but did find that the doctor prescribed medications without performing required heart tests and failed to use current prescribing practices for mental health conditions. In Tampa, Florida, a physician at the James A. Haley Veterans Hospital was counseled for more than two years by supervisors for prescribing controlled substances at rates "significantly higher than his peers." The inspector general found that efforts to mentor the doctor "did not result in changes to his prescribing practices." But because the hospital was proactive in counseling the physician, the IG recommended only that supervisors also notify the Professional Standards Board and closed the case. "While there was potential for harm to patients, we didn't find any patients that were harmed," the IG office wrote in the report. Other reports ranged from poor practices to misrepresentation of credentials to doctor errors.

- In Lebanon, Pennsylvania, a veteran who went into surgery to have a skin cancer removed from his nose had his face set on fire during a surgical mishap. (The same thing happened five years later to a patient at the Martinsburg, West Virginia, VA facility.)

- In Birmingham, Alabama, and elsewhere, the inspector general investigated numerous cases of undiagnosed cancers, including one case of pharyngeal cancer that spread after the primary care doctor failed to place a referral to a specialist.
- In Bay Pines, Florida, a veteran broke his leg at the hospital and it was not recognized or treated for a week.
- At the VA Central Iowa Health Care System, a doctor conduct unauthorized research on patients — namely subjecting them to an extra radiological exam — without their consent or the approval of an independent board.
- At the Hampton, Virginia, VA, the system for monitoring patients worked only intermittently for three years, allowing elderly patients with dementia to wander away from the facility. In addition to patient safety and health problems, the reports unveiled an abundance of personnel problems, from a foreign medical student representing himself as a doctor and sexually harassing other employees at the Michael DeBakey VA Medical Center in Houston, to a "toxic" work environment on the night shift at the intensive care unit among "cliques of nurses" in Tucson, Arizona. In one case at the James Haley Medical Center in Tampa, the IG was called in to examine allegations that the spouse of a wounded patient on the ward had made outlandish demands, resulting in a poor work environment for staff and general unhappiness among other patients and their families. According to the allegations, the spouse refused to allow anyone to enter her husband's room without permission, demanded one-on-one 24-hour care for her husband and asked that the floor, which had open visiting hours to encourage families and children to visit, be quiet from 4 p.m. and 6 p.m. so her husband could rest after an exhausting day of physical therapy. The IG was called in after families threatened to go to the media with allegations that the patient received preferential treatment. Not surprisingly, a handful of the allegations in that case were substantiated, including one verifying that a "slandorous allegation" was made about the veteran's wife, according to the IG report.

Daigh told lawmakers last month that his office produces 60 "hotline" reports a year and receives about 50,000 tips or calls annually. He added that all closed reports are made available to members of Congress or can be obtained through a Freedom of Information Act request. But for lawmakers, these reassurances are not good enough. Both the House and Senate Veterans' Affairs committees have stepped up their oversight of the VA and its IG office as a result of continued problems and have promised additional legislative measures to ensure the department complies with transparency and investigation laws. "'VA Deputy Secretary Sloan Gibson recently said, 'I don't expect anybody to give that trust back, I expect we're going to have to earn it back,' If VA truly wants to be transparent and open, one of the first things it needs to do is to stop impeding this committee's oversight investigations," said House Veterans' Affairs Committee Chairman Rep. Jeff Miller (R-FL). [Source: MilitaryTimes | Patricia Kime | May 17, 2015 ++]

## ***VA Health Care: Actions Needed to Improve Monitoring and Oversight of Non-VA and Contract Care***

### **What GAO Found**

GAO's recent work has found significant weaknesses in the Department of Veterans Affairs' (VA) monitoring and oversight of its Non-VA Medical Care Program. Through this program, care is provided to veterans by non-VA providers in non-VA facilities. As GAO reported in May 2013, VA did not collect data on wait times veterans face in obtaining care from non-VA providers. Having data on wait times for veterans referred to non-VA providers would help VA better determine if veterans are receiving comparable access to non-VA providers and VA-based providers. In addition, GAO found that VA was unable to analyze non-VA medical care data on all services and charges for an episode of care, which is the combined total of all care provided to a veteran during a single office visit or inpatient stay. As a result, VA cannot ensure that non-VA providers are billing VA appropriately for care or determine whether delivering care through non-VA providers is more cost-effective than augmenting its own capacity in areas of high utilization of non-VA medical care. Moreover, in March 2014 GAO reported that crucial limitations existed in VA's monitoring and oversight of non-VA medical care claims processing. Specifically, VA lacked automated processes for (1) determining whether claims met VA's criteria for payment and (2) notifying veterans when their claims were denied. Instead, these processes relied largely on the judgment and diligence of VA facility-based claims processing staff. For example, GAO found several non-VA medical care claims that were inappropriately denied because VA facility-based claims processing staff processed the claims under the wrong payment authority. Moreover, GAO found that VA's oversight was lacking in key aspects of the claims review process, a factor that allowed inappropriate denials and notification issues to persist.

GAO's recent work has also found significant limitations in VA's monitoring and oversight of clinical contracts and contractors—a method VA uses to bring non-VA providers into VA facilities. As GAO reported in October 2013, contracting officer's representatives' (COR) heavy workloads and inadequate training compromised VA's monitoring of contractor performance. CORs are responsible for monitoring the work of non-VA providers working in VA facilities under a contract once the contract is in place. CORs for 8 of the 12 contracts GAO reviewed in depth reported that the demands of their primary positions at the VA facility have at times prevented them from fully monitoring contract providers' performance. Six of these CORs stated that they could not complete certain elements of their COR responsibilities—such as adequately monitoring contract costs—due to limited time and resources. Robust VA oversight would better ensure that the contract providers deliver high quality care to veterans and fulfill the responsibilities of their contracts. In addition, CORs from the four VA facilities GAO visited noted weaknesses in VA's COR training and GAO's analysis confirmed these limitations. Specifically, GAO found this training focused on teaching CORs to develop contracts that purchase goods and not clinical services. The primary examples in this course included discussions of the contracting process for replacing carpet and making a large computer

purchase. In addition, COR training included little information on how CORs should engage in post-award monitoring of clinical contractors.

### **Why GAO Did This Study**

VA uses both the Non-VA Medical Care Program and clinical contracts to augment its delivery of care to veterans. GAO has previously highlighted weaknesses in the monitoring and oversight of both non-VA medical care and clinical contracts that remain unresolved.

This testimony is based on three GAO reports issued in 2013 and 2014 and addresses the extent to which VA monitors and oversees its (1) Non-VA Medical Care Program and (2) clinical contracts and contracted non-VA providers working in VA facilities. For all three reports, GAO reviewed relevant requirements and visited a total of 14 VA facilities. For its May 2013 report on the oversight and management of the Non-VA Medical Care Program, GAO reviewed non-VA medical care data from fiscal year 2008 through fiscal year 2012. For its October 2013 report on clinical contract monitoring and oversight, GAO administered a data collection instrument to CORs and reviewed 12 selected clinical contracts. For its March 2014 report on non-VA emergency medical care for veterans' non-service connected conditions, GAO reviewed 128 denied claims.

### **What GAO Recommends**

GAO made 22 recommendations to VA in its prior three reports related to improving (1) data on wait times and cost-effectiveness of non-VA medical care; (2) VA's oversight and monitoring of claims processing; and (3) VA's monitoring of clinical contractors. VA agreed with these recommendations, and has taken action on some, but has yet to fully implement many of them. For more information, contact Randall B. Williamson at (202) 512-7114 or [williamsonr@gao.gov](mailto:williamsonr@gao.gov).

## ***VA to Conduct Nationwide Series of Events to Celebrate***

WASHINGTON – The Department of Veterans Affairs (VA) will conduct a series of one-day events to raise awareness and celebrate the stories of women Veterans. The events, to be held in five locations across the country, will provide an overview of services and benefits available to women Veterans. Experts will be available to answer Veterans' questions, and exhibitors will share information on their many resources.

"We have found that our women Veterans often put the needs of others' first," said Elisa Basnight, Director of VA's Center for Women Veterans (CWV). "We encourage them to make themselves a priority, to learn about the benefits and services which they've earned through their dedicated service. We are bringing our experts to them, where they are."

VA staff, as well as local community supporters and agencies that assist women Veterans, will be available for face-to-face interaction. All VA facilities are encouraged to participate in activities to celebrate and honor the women who answered the nation's call.

The scheduled events and local activities are part of a new national VA campaign, *Women Veterans: Celebrating Our Stories of Service*, which launched in late March 2015. The vision for the national VA campaign was born out of the realization that when our women Veterans from all eras and generations surrender the uniform, they retain the intangible—that combination of resolute resilience and the unbeatable skills they will incorporate into their reintegration and readjustment process. Through this campaign, CWV will be engaged in going to these women Veterans to raise the awareness of VA’s commitment to them, and to facilitate the conversation around what more needs to be done in serving the unique needs of women Veterans.

The sessions for women Veterans will be held between June and September at the following locations:

St. Petersburg, FL – June 12, 2015

San Diego (Oceanside), CA – July 10, 2015

Houston, TX – August 7, 2015

Minneapolis/St. Paul, MN – September 14, 2015

Washington, DC – September 22, 2015

Women Veterans represent one of the fastest growing segments of the Veterans population—about 9.2 percent of the total Veterans population. Today there are an estimated 2 million women Veterans nationwide. VA continues to improve benefits and services for women Veterans and is diligently transforming its culture to embrace this growing population, through other collaborative initiatives with Federal/state/local governmental and non-governmental stakeholders.

For more information about VA’s Women Veterans Campaign and VA’s commitment to women Veterans, visit [www.va.gov/womenvet](http://www.va.gov/womenvet).